

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 542 be amended to read as follows:

- 1 Page 6, after line 41, begin a new paragraph and insert:
- 2 "SECTION 12. IC 16-22-3-17 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17. (a) The
- 4 governing board may mortgage all or part of an interest in real or
- 5 personal property owned by the hospital and may enter into a sale and
- 6 leaseback of hospital property on terms and conditions acceptable to
- 7 the board.
- 8 (b) The following property may be disposed of on terms and
- 9 conditions acceptable to the board:
- 10 (1) Real or personal property subject to a mortgage or sale and
- 11 leaseback arrangement.
- 12 (2) Real or personal property in which the hospital has an
- 13 ownership interest as a participant in an organization or activity
- 14 described in section 1(b) of this chapter.
- 15 (3) An arrangement in which at least two (2) hospitals participate
- 16 for the provision of any hospital or related services, including
- 17 participation or ownership as a tenant in common with other
- 18 hospitals.
- 19 (c) Except as provided in subsection (b), real or personal property
- 20 or an interest in real or personal property owned by the hospital may be
- 21 disposed of as follows:
- 22 (1) Personal property:
- 23 (A) that has limited or no use to the hospital; and
- 24 (B) that:

1 (i) has value not exceeding ~~five~~ **fifteen** thousand dollars
 2 ~~(\$5,000); (\$15,000);~~ or

3 (ii) is traded upon purchase of other personal property;
 4 may be disposed of without the necessity of advertising,
 5 auctioning, or requesting bids.

6 (2) Real property that the board considers no longer necessary for
 7 hospital purposes shall be sold after the following occur:

8 (A) The property is appraised by three (3) disinterested owners
 9 of taxable real property of the county.

10 (B) The board publishes notice of the sale one (1) time at least
 11 seven (7) days before the date of the sale.

12 (C) The sale is approved by the commissioners.

13 The board shall determine the time, terms, and conditions of the
 14 sale of property.

15 (3) Personal property other than property described in subdivision
 16 (1) shall be sold at public auction. The board shall publish notice
 17 of the sale one (1) time at least seven (7) days before the date of
 18 the sale. If sealed bids are solicited in the published notice of the
 19 sale, the bids must be opened in public on the date and time of the
 20 sale to satisfy the public auction requirement.

21 Upon the sale of real property under this subsection and the payment
 22 of the purchase price, the board and the commissioners shall execute
 23 a deed of conveyance to the purchaser. The proceeds of all sales are a
 24 part of the hospital funds to be held and used for the use and benefit of
 25 the hospital.

26 (d) If a trust (as defined in IC 30-4-1-1(a)) submits a bid in a sale or
 27 lease conducted under subsection (b), (c), or (e), the bid must identify
 28 each:

29 (1) beneficiary of the trust; and

30 (2) settlor empowered to revoke or modify the trust.

31 (e) If it is determined by the board, the county executive, and the
 32 county fiscal body, by joint resolution, that:

33 (1) the hospital should cease doing business as a county hospital;

34 (2) the hospital should be terminated and dissolved; and

35 (3) the entire hospital building or buildings should be sold or
 36 leased to a for-profit corporation, partnership, or entity;

37 the proposed sale or lease shall be considered publicly, and the board,
 38 the county executive, and the county fiscal body shall follow the
 39 procedures of IC 16-22-6-18 concerning notice and hearing on the
 40 terms and provisions of the sale or lease. The terms and provisions of
 41 the sale or lease shall be determined by the board, the county executive,
 42 and the county fiscal body and shall be presented at a hearing as
 43 required by IC 16-22-6-18.

44 (f) An individual who is a:

45 (1) board member in the member's capacity as a board member;
 46 or

- 1 (2) member of:
- 2 (A) the county executive; or
- 3 (B) the county fiscal body;
- 4 is immune from potential or actual liability attributable to the
- 5 individual with respect to a sale or lease under subsection (e).
- 6 (g) In the event of a sale or lease under this section, the county is not
- 7 liable for:
- 8 (1) any liabilities of the hospital that:
- 9 (A) were incurred on or before; or
- 10 (B) are incurred at any time after;
- 11 the sale or lease date; or
- 12 (2) any future liabilities incurred by the successor entity;
- 13 unless otherwise agreed to by the county at the time of the sale or lease
- 14 in the sale or lease document. Any liabilities described in this
- 15 subsection are the responsibility of the purchasing or leasing entity,
- 16 unless agreed to otherwise in the sale or lease document.
- 17 (h) After the hearing on the proposed sale or lease, if it is
- 18 determined by the board, the county executive, and the county fiscal
- 19 body that the sale or lease should proceed, the hospital building or
- 20 buildings shall be sold or leased in accordance with proposed terms and
- 21 provisions.
- 22 (i) The board, the county executive, and the county fiscal body shall
- 23 execute:
- 24 (1) a deed of conveyance upon payment of the purchase price if
- 25 the buildings are sold; or
- 26 (2) a lease upon terms the board, the county executive, and the
- 27 county fiscal body consider reasonable if the buildings are leased.
- 28 (j) The proceeds of the sale or lease of all of the hospital buildings
- 29 must first be applied to outstanding indebtedness attributable to the
- 30 hospital buildings. The commissioners shall deposit the balance of the
- 31 proceeds from the sale or lease and any property in the hospital fund in:
- 32 (1) a nonexpendable interest bearing trust fund from which claims
- 33 are paid for county hospital claims for the indigent or any other
- 34 fund that the county executive and county fiscal body designate;
- 35 or

- 1 (2) the county general fund.
- 2 **SECTION 13. An emergency is declared for this act."**
- 3 Renumber all SECTIONS consecutively.
(Reference is to ESB 542 as printed March 26, 1999.)

Representative Mahern